

In the claims:

For the convenience of the Examiner, all claims whether or not amended are presented below.

Please cancel, without prejudice, claims 63-69, and 74-80.

1-60. (Cancelled)

61. (Currently amended) A method for identifying an agent which decreases hedgehog signal transduction for ameliorating an effect ~~effect~~ of loss of function of a patched gene in a mammalian cell, comprising contacting one or more test agents with a mammalian cell in culture that expresses a wild-type patched protein and identifying one or more test agents that decrease the level of hedgehog signal transduction relative to the absence of test agent, wherein an agent that decreases hedgehog signal transduction is useful for ameliorating an effect ~~effect~~ in a mammalian cell characterized by loss of function of a patched gene.

62. (Currently amended) A method for identifying an agent for ameliorating an effect ~~effect~~ of loss of function of a patched gene in a mammalian cell, comprising contacting one or more test agents with a mammalian cell in culture characterized by loss of function of a patched gene and identifying one or more test agents that increase patched activity relative to the absence of test agent, wherein an agent that increases patched activity is useful for ameliorating an effect ~~effect~~ in a mammalian cell characterized by loss of function of a patched gene.

63-69. (Cancelled)

70. (Currently amended) The method of claim 61 or 62 ~~63~~, wherein the method includes contacting the cells with a hedgehog protein ~~expression of the reporter gene occurs upon hedgehog stimulation, and compounds are selected by ability to inhibit the expression of the reporter gene.~~

71. (Currently amended) The method of claim 61 or 62 ~~63~~, wherein the cell characterized by a loss of function of a patched gene is a basal cell carcinoma cell.

72-80. (Cancelled)

81. **(Previously presented)** A method for preparing an agent for inhibiting growth of cells characterized by loss of function of a patched gene, comprising:

- a. contacting one or more test agents with a mammalian cell that expresses a wild-type patched protein and identifying test agents that decrease the level of hedgehog signal transduction relative to the absence of test agent;
- b. contacting test agents identified in step (a) with a mammalian cell having a loss of function of a patched gene, wherein said cell is a basal cell carcinoma cell, and selecting those test agents that inhibit growth of mammalian cells having a loss of function of a patched gene; and
- c. preparing a formulation including a test agent that inhibits the growth of mammalian cells selected in step (b) and a pharmaceutically acceptable diluent.